

DATE: SEPTEMBER 26, 2011

AGENDA ITEM 6

TO: THE LOS ANGELES GRAND AVENUE AUTHORITY

FROM: JAY VIRATA, COMMUNITY REDEVELOPMENT AGENCY/LOS ANGELES
REGIONAL ADMINISTRATOR
DAWN MCDIVITT, COUNTY OF LOS ANGELES, CHIEF EXECUTIVE
OFFICE, MANAGER

SUBJECT: CONSIDERATION FOR APPROVAL
PROPOSED STAFFING PLAN FOR FUTURE AUTHORITY ACTIONS

Background

Pursuant to the Joint Exercise of Powers Agreement dated September, 2003, as amended, the Grand Avenue Committee (Committee) acted as the Real Property Negotiator for the Los Angeles Grand Avenue Authority (Authority). The Committee, staffed principally by Managing Director Martha Welborne, coordinated with County of Los Angeles (County) and Community Redevelopment Agency/Los Angeles (CRA/LA) staff assigned to the Grand Avenue Project, prepared reports, and obtained as necessary consultant legal and financial services to make recommendations for the Authority's approval.

At its June 27, 2011 meeting, the Authority formally accepted the termination of the contract with the Grand Avenue Committee to be its Real Property Negotiator, and recommended that Authority members Christine Essel, CRA/LA Chief Executive Officer, and William Fujioka, County Chief Executive Officer, prepare a recommendation to address future administration and staffing to the Authority. This memorandum summarizes the future actions the Authority is anticipated to take during the implementation of the Grand Avenue Project, and proposes a staffing structure to ensure that the appropriate CRA/LA and County staff resources are available to advise the Authority.

Future Actions

Future Authority actions required during implementation of the various Phases of the Grand Avenue Project are summarized in the attached spreadsheet. These actions can be characterized as either Development or Administrative/Transactional Items.

Development Items include review of developer plans for conformance to the Grand Avenue Amended Disposition and Development Agreement (DDA). Section 405 and the Schedules of Performance from the Amended DDA identify the project milestones at which the Authority must review and approve schematic, design development, construction drawings, or other project documents. To date, real property negotiations have been performed by the Grand Avenue Committee with reviews and analysis performed by CRA/LA and County staff and approved by all the DDA governing bodies. It is recommended that lead real property negotiations and analysis be performed by the owner of the real property parcel being developed. However, each entity will continue to conduct its own review and/or analysis to comply with the Amended DDA.

The Administrative/Transactional Items include day-to-day operations and such items required by the various agreements related to the Amended DDA, but are not specifically itemized. To

date, the County has been involved in the administrative functions of the Authority, organized the meetings, and managed the Authority's funds.

It is anticipated the CRA/LA and County will transition workload from the Grand Avenue Committee staff and cost for these services will be accounted for as in-kind services rendered to the Authority. At a future date, the CRA/LA and County will return to the Authority with recommendations as to payment for any required Authority services.

It is Recommended that Your Board Approve that:

- a) Development Items continue to be reviewed by CRA/LA and County staff. Real property negotiations and analysis be performed by the owner of the real property parcel being developed. However, each entity will continue to conduct its own review and/or analysis to comply with the Amended DDA. CRA/LA and County staff will prepare necessary reports and recommendations for the Authority's approval. Full reports and presentations are expected for review of schematic drawings and issuance of Certificates of Completion. Design development, construction drawings, construction budgets, and other project documents will be reviewed by CRA/LA and County staff solely for the purpose of confirming a logical evolution from the approved schematics; and
- b) Administrative/Transactional Items will be assumed by County staff and will prepare relevant reports for Authority approval, in consultation with assigned CRA/LA staff.

DEVELOPER DUTIES

GRAND AVENUE PROJECT	RESPONSIBLE PARTY	APPROVALS REQUIRED	COMPLETION DATES	FUTURE DEVELOPMENT ITEMS	Future Transaction Items
Phase I: Civic Park	Grand Avenue Park Developer	All approvals completed	June 30, 2012	Final Inspection, Cert. of Completion	
Phase I: Parcel Q Mixed-Use Development	Related	JPA, County, CRA/LA	extension until February 15, 2013	Possible change in Scope of Development	Gound leases from County to CRA/LA to Related
Phase IIA: Broad Museum, Parking Facility, Public Plaza and Streetscape	Broad Collection	JPA, County, CRA/LA	80% construction drawings due November 2011/ final construction documents due December 2011	CRA/LA Review of DD and Construction Drawings, Approval of Financing	
Phase IIB: Parcel M2 Mixed-use Tower	Related	Approval of construction drawings by JPA, County, CRA/LA	80% construction drawings due March 2012/ final construction documents due July 2012	Review of Schematics, DD, and 80% and 100% Construction Drawings, Review of Budget, Final Inspection, Cert. of Completion	Authority/Related execute \$5.63 million Loan Agreement to fund affordable units
Phase IIC: Parcel L Mixed-use Tower	Related	Approval of construction drawings by JPA, County, CRA/LA	schematic design documents due July 2015/design development documents due October 2015/80% construction due February 2016/final construction documents due June 2016	Review of Schematics, DD, and 80% and 100% Construction Drawings, Review of Budget, Final Inspection, Cert. of Completion	
Phase III: Parcel W2/1 Mixed-use Development	Related	Approval of construction drawings by JPA, County, CRA/LA	Start of Construction October 2016	Review of Schematics, DD, and 80% and 100% Construction Drawings, Review of Budget, Final Inspection, Cert. of Completion	Gound leases from County to CRA/LA to Related

ADMINISTRATIVE/TRANSACTIONAL ITEMS

Administrative/Transactional Items to be assumed by the County, with consultation with the CRA/LA staff, include but are not limited to:

- Authority meetings audio/room set up
- Authority meeting agendas
- Coordination with Authority members calendars
- Filing of Form 700
- Press and Public Records Requests
- Agenda Item Briefings
- Payment of Invoices
- Request for Quarterly Related Extension Payment
- Second Amendment to Authority - requires signature of CRA/LA